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## COLLECTIVE BARGAINING IN THE SOFT-COAL INDUSTRY.

ONE of the most successful methods of adjusting the relations between labor and capital that have been tried in this country is that existing in the central competitive soft-coal field. The method has been in operation since 1898, and seems to give promise of indefinite continuance. The central competitive field includes the states of Illinois, Indiana, Ohio, West Virginia, and the western district of Pennsylvania, all of which have for their common market Chicago and other manufacturing centers in the Middle West. West Virginia, however, is not included in the joint agreement. The miners' organization is very weak in that state, because the majority of the mine employees are negroes, who cannot be induced to join the union, and the operators have constantly refused to enter the joint-agreement system.<sup>1</sup>

Since the miners' union constitutes one of the parties to the agreement, it is necessary to consider briefly the general nature of that organization. According to the preamble to their constitution, the main objects of the union are to secure a rate of wages compatible with the dangers and hardships of the calling, and to ameliorate the general condition of the members. The means to be employed are arbitration, conciliation, and strikes.

The organization of the United Mine Workers of America extends throughout the coal fields east of the Rocky Mountains, though it is weak in the anthracite regions and in West Virginia. It is a *trades* union in that it aims to include all workers in and about the mines except mine managers and top bosses. The blacksmiths, firemen, and hoisting engineers have had their own organizations, but the miners have constantly endeavored to include these workmen in their union. The advantages to the miners in having these skilled laborers in their union are obvious. The skilled workers are outnumbered by the miners who can outvote them and thus determine

<sup>1</sup> *Bulletin No. 51 of the Department of Labor*, p. 402.

the general policy of the union. On the other hand, in case of a strike, employers can be more quickly brought to terms if skilled workmen are included, because it is, of course, difficult to replace them, and when the pumps are stopped the mines soon fill up with water.

The framework of government includes the national union, and district, sub-district, and local unions. The national union has direct control of all of the other unions and of their members. The national constitution does not make the national union one of delegated powers, and it can, therefore, adopt such rules and regulations as it sees fit. The district unions can adopt such laws and usages as do not conflict with the national laws and regulations; and the sub-district and local unions can in turn act as they see fit, provided they do not violate the laws, usages, or rules of the higher unions.

The governmental machinery is very much alike for each grade of union, and consists of (1) a number of executive officers, such as a president, vice-president, secretary, and treasurer; (2) an executive council; and (3) a legislative body. In the case of the locals, the legislative body consists of all the members of that local in good standing; in case of the other unions the legislature is composed of delegates chosen by the locals. The officers of the different grades of unions are also chosen by the locals. The territorial extent of each district is determined partly by competitive and partly by geographical conditions. In many cases the district corresponds with the state, but this is not the rule in the central competitive field, which embraces five districts, namely, (1) Illinois, (2) the block district of Indiana, (3) the bituminous district of Indiana, (4) Ohio, and (5) the Pittsburg district.

In case of any dispute between members of a local union and their employers it is the duty of the local officers to attempt to bring about a peaceable settlement. If they fail in this, the matter is to be laid before the officers of the district to which the local is attached. If the district officers are unable to effect a peaceable settlement, they may order a strike, with the approval of the national president, or of the national executive board on appeal from the decision of the national president in case he does not approve of the strike. No district can order a strike except with the approval of the national president or of the national executive board. Locals are not forbidden to strike on their own responsibility, but no strike can receive the support of the national union or of a district union unless the

approval of the national president or board has been previously obtained. The national executive board, together with the district presidents, vice-presidents, and secretaries, has power to order a general strike, and a national convention also has the same power. Such, in brief outline, is the general nature of the miners' organization.

Let us now consider the method by which a collective bargain is reached. The machinery by which agreements are made consists of annual interstate joint conventions, joint state, or district, and sub-district conventions, and various local arrangements. All important matters of a general nature are adjusted in the interstate and district conventions, and we shall therefore consider the action only of these conventions in the making of the contracts under which the laborers work.<sup>2</sup>

The annual interstate joint convention is composed of representatives of the operators of Illinois, Indiana, Ohio, and the Pittsburg district, and representatives of the miners' union in these same districts. It usually meets immediately after the adjournment of the miners' national convention, during whose sessions the delegates from the districts concerned have had the opportunity of formulating a general policy to be pursued in the joint convention. In the joint convention the voting is by states, the miners and the operators being entitled to four votes each for each state, there being thirty-two votes in all, Indiana constituting but one district in the voting, though it is divided into two districts for other purposes. No general rule can be adopted, or action of a general nature taken, unless it receives all of the thirty-two votes. If a decision cannot be reached in the convention, the matter in hand is referred to the joint scale committee, composed of four miners and four operators from each state. There is an alternate for each member of the committee, so that for deliberation the committee consists of sixty-four members, though an alternate has no vote, except in the absence of his principal. If a settlement cannot be reached by the committee, the matter is referred to a sub-scale committee composed of two miners and two operators from each state. The latter body deliberates in secret, and when an agreement is reached it submits its report to the joint scale committee, which adopts it unanimously and submits it to the

<sup>2</sup>In Ohio, however, there is no state contract; the general contracts are drawn up in sub-district conventions.

convention, which also adopts it unanimously, according to the rules of the convention.<sup>3</sup>

Considering the vast importance of the questions at issue, it seems almost incredible that, with evenly balanced forces and the rule requiring the affirmative vote of all the states, any agreement could be reached at all, and the fact that this plan has proved workable speaks volumes for the good sense of both miners and operators. It is probable, also, that this plan tends to produce harmony. In the convention each side knows that the other cannot get the upper hand, and when the contract is made there is less disposition on the part of either miners or operators to break it, because each knows that the contract was made with the consent of his representatives.

The main questions settled by the convention relate to the hours of labor, screens, the differentials between pick and machine mining, and the wage scale. The first joint convention, which met in 1898, established the eight-hour day, and that question has given no trouble since. But the other three sets of questions have been and continue to be sources of much difficulty.

The conditions in this field are such that machinery cannot be used in all mines, and about half of the output of soft coal in the United States is mined by machines and about half with the pick.<sup>4</sup> The rate for machine mining must necessarily be less than that for pick mining, for obvious reasons; and since two different kinds of machines are used, two machine rates are established. Moreover, the machine differential is not the same for all districts, even when the same kind of a machine is used and when the same conditions prevail as to screening. If a machine differential could be established which would satisfy all parties and be maintained without change, the machine question might be disposed of once for all. But every change in the general rate of wages necessitates a change in the differentials, and they are not all changed in the same proportion. According to the agreement for the year ending April 1, 1901, the price for machine mining in the bituminous district of Indiana was 18 cents less than the rate for pick mining when punching machines are used, and 21½ cents less when chain machines are used. By the same agreement the machine differentials for the Hocking Valley

<sup>3</sup> *Bulletin No. 51 of the Department of Labor*, p. 399; *Proceedings of Interstate Convention*, 1903, pp. 74, 128.

<sup>4</sup> *Report of the Industrial Commission*, Vol. XII, pp. cxvi-cxvii; *Annual Coal Reports*, Illinois, and *Labor Statistics*, Ohio.

district, Ohio, and for the Pittsburg district were advanced 9 cents, and the differential for the block coal district of Indiana was advanced  $11\frac{1}{2}$  cents per ton. In the agreement for 1903-4 the rate for machine mining was advanced 8 cents in western Pennsylvania and in Ohio, 10 cents in Indiana, and 6 cents in Illinois.<sup>5</sup> It will readily be seen that the machine question affords abundant opportunity for discontent. The miners claim that operators get all the benefits of the introduction of improved methods; the operators of Illinois claim that the machine differential in that state is unfair as compared with that in other states; operators of pick mines claim that the machine differential is too small, and that it injures the pick mine operators, and the fact that machine mines are in operation more continuously than pick mines,<sup>6</sup> is, they say, a proof of their contention.

The screen question is no less troublesome than that of the machine differential. In some districts miners are paid for all the coal they mine—that is, the run-of-mine basis prevails—while in other districts the screened-coal basis is established, and in other states both systems are employed. Thus, in Illinois there is a run-of-mine standard, in Pennsylvania and Ohio miners are paid on a single-screen standard, while in Indiana both systems prevail. The operators of Illinois complain that the screen differential is unjust to them, and demand either that the run-of-mine rate be changed in their favor, or that a uniform run-of-mine or a screened-coal system be adopted for the entire competitive field. The miners demand a uniform run-of-mine system, not so much because they think the differential works against them, but chiefly because of difficulties that arise at the mines over the screens. According to joint agreement, all screens must be made with one and one-fourth inch spaces between the bars. But unfortunately joint agreements cannot prevent the screens from wearing, and the spaces becoming too wide. Then, of course, there is controversy as to whether or not the screen is up to the standard, the operator claiming that it is unreasonable to demand that he shall be constantly putting in new screens. The miners believe that the most practical way of ending such disputes is to adopt the run-of-mine basis. But operators claim that where powder is used the miners, if paid on this basis, are careless, and

<sup>5</sup> These interstate agreements as well as the state agreements are printed with the *Proceedings of the Interstate Joint Convention*, 1903.

<sup>6</sup> *Proceedings of Joint Convention*, 1903, pp. 76-79, 129-44.

put in too large a charge, thus breaking up the coal more than is necessary.<sup>7</sup> Such, in brief, are the main difficulties arising from the machine and the screen questions.

But a more difficult and a more important problem is to determine the general wage scale. There are three classes of laborers in and about the mines: (1) the miners proper; (2) inside day laborers, including tracklayers, trappers, bottom cagers, drivers, trip riders, water-haulers and machine-haulers, timbermen, and a few others; and (3) outside day laborers, including blacksmiths, firemen, engineers, carpenters, dumpers and trimmers, greasers and couplers, slack-haulers, and various others. The inside day laborers are nearly all of the same grade of skill, except the trappers, who receive about half the wages of the men in the grade next above them, and there has been no great difficulty in determining the inside day wage scale. But the outside day wage scale has not been agreed upon by the interstate convention, partly, no doubt, because the operators do not desire to recognize the right of the union to control all classes of outside workers, partly because of the variations in conditions over which the scale committee declared, in 1898, it had no control.<sup>8</sup>

The most arduous task before the convention is the adjustment of the mining scale. If miners were paid by the day, there would be only the general question as to the relative rate of remuneration of labor and capital. But since the opportunity for miners to shirk is great, the piece-rate system prevails, and the varying conditions at the different mines, the thickness of the vein, the character of the coal, etc., must be taken into account in fixing the rate. It is not practicable for the interstate convention to fix the rates for all mines. The convention therefore merely establishes for each district a normal rate, to which local rates are adjusted by district, or, in Ohio, by sub-district, conventions. In Illinois the state (district) convention adjusts the rates for the different localities. There are nine scale districts, all but one of which are subdivided, so that there are in all about thirty different rates. In Ohio local rates are adjusted to the normal by the same plan, that is, according to locality. In the other three districts the rates vary from the normal according to the thickness of vein.

President Mitchell and others stated before the Industrial Commission that no attempt was made to secure a uniform rate of wages,

<sup>7</sup>*Ibid.*, 1903, pp. 76, 77, 84-98.

<sup>8</sup>*Ibid.*, p. 172.

but that the aim is to place operators upon an equal footing.<sup>9</sup> It is quite evident, however, that this statement does not properly represent the facts in the case. If operators are to be placed upon an equal footing, the rate for mining thick vein coal would necessarily be less than the rate for the thin vein, which, it is needless to say, is just the opposite of the truth. But whatever may be the object of those who draw up the contracts, as a matter of fact the earnings of the miners are roughly equal in the different mines;<sup>10</sup> and, consequently the richer mines enjoy their natural advantages as to earnings.

Neither party to the contract seems to act consciously upon any fixed principle of wage adjustment, except that each tries to get the best terms it can under the circumstances. Since the system of collective bargaining went into operation in 1898, there has been great activity in the industries using soft coal, and wages have advanced from time to time. But if there should come a period of severe depression in the iron and transportation industries, and a consequent falling off in the demand for coal, there might be a test that would bring to the front some general principle or principles. Since wages have been rising during brisk times, we might conclude that the general principle of the sliding scale, though not the mechanism of it, has been adopted; but it is very doubtful if the miners would accept that principle in its logical completeness.

Besides adjusting the mining scale to suit local conditions, the state contracts cover many other points of vital importance. The duties of the miners in regard to keeping their coal free from impurities and in timbering the mines, the privileges of the employers in hiring and discharging men, various provisions relating to the settlement of local disputes and the keeping of the mines in operation while the dispute is being adjusted, and various other matters, are carefully stated.

In order that these joint agreements may be enforced and that local difficulties may be readily adjusted, there must be some sort of governmental machinery. The operators in some districts trust to the miners' organization to enforce contracts and to take the initiative in the settlement of disputes. But in Illinois and in Indiana the operators have formed an organization for the purpose of enforcing agreements, and the active work of the organization is done by a

<sup>9</sup> *Report of the Industrial Commission*, Vol. XII, p. cxxxvi.

<sup>10</sup> *Labor Statistics of the various states.*



commissioner. In portions of Ohio also a commissioner looks after the interests of the operators. There has been no uniform method adopted for settling local disputes, nor has authority over such matters been conferred by interstate agreement upon any central body. In most cases, when the trouble cannot be adjusted by the mine managers and the officers of the local union, the matter is referred to the higher officials of the company and the officials of the sub-district or of the district union. In those districts in which the operators have a commissioner, that official and the officers of the district union constitute the highest regular court of appeal. In many cases, however, the national president of the miners' union and the commissioner are called upon to settle the question in dispute.<sup>11</sup>

In this system of collective bargaining which we have roughly sketched there are three important points: (1) the relations between laborers and their employers are carefully defined by contract; (2) there is a regular tribunal to which either party can appeal in case he has a grievance; (3) miners and operators, meeting together in conventions and in boards of conciliation, come to know and respect each other's opinions. Human nature being what it is, the absence of any one of these conditions must lead to strife; with all three present, industrial peace is insured, in as large a measure as is perhaps possible.

The tangible results of this joint-agreement system have been highly encouraging. Industrial peace has been secured, and a large class of laborers has been raised from a condition of poverty to one of comfort. Before the inauguration of the joint-agreement system in 1898 the miners were in a wretched condition. The average net<sup>12</sup> earnings of all pick miners in Ohio during the years 1896 and 1897 were only about \$1.25 for each day worked, and only \$0.65 or \$0.75 a day for each working day in the year;<sup>13</sup> and the same conditions prevailed in other states. Moreover, employees were compelled to trade at company stores, where prices were fixed to suit the employer; they were compelled to live in company houses, often small, three-room, rough-board, unplastered shanties, which cost \$200 or less, for which they paid from \$4 to \$7 rent per month; they were

<sup>11</sup> *Report of the Industrial Commission*, Vol. XII, pp. cxxxvii-cxxxviii; *Proceedings of Joint Convention*, 1903, pp. 193, 216, 222, 232.

<sup>12</sup> "Net earnings" means gross earnings minus expenses for oil, blacksmithing, and powder.

<sup>13</sup> *Labor Statistics*, Ohio, for the various years.

forced to sign contracts in which they promised not to strike or to have anything to do with a labor union, on pain of forfeiting all back pay and losing their places; and should any be so rash as to break the contract, the courts enforced the pecuniary penalty, and the black-list made it difficult for him to secure employment elsewhere.<sup>14</sup> All of these grievances and many others have been redressed, and the rate of wages has been raised about 75 per cent. In the Hocking Valley district, which may be taken as a fair example, the rate for pick mining, screened, increased from 51 cents in 1897 to 90 cents in 1903-4.<sup>15</sup>

These substantial results have been attained in spite of three great obstacles: (1) the widely different conditions at the various mines; (2) the oversupply of labor—there are in the soft-coal fields of the United States about one-third more men than are needed, if all are to be given continuous employment; (3) the fact that there is such a vast quantity of coal easily obtainable that, with the existing supply of labor, the market could be easily oversupplied. In Illinois the shipping mines were on the average in operation only 214 days during 1900, the most active year from 1894 to 1902 inclusive. In Ohio, the pick mines were active only 200 days in 1901. No doubt the general prosperity of the country since 1898 has aided the miners in securing an advance of wages, but with such an oversupply of labor they would have received little benefit from that industrial activity unless there had been in operation some plan by which the forces of competition could be modified.

One of the most interesting results of this experience in the soft-coal industry has been that, while by acting together miners and operators have so adjusted the rate of wages that the laborers can live in a fairly satisfactory condition and work only about two-thirds of the time, the public has borne the economic loss resulting from their idleness. Moreover, were laborers and capitalists in each industrial group united, there would be a struggle among the groups for the products of industry, and the group in which laborers and capitalists were the most thoroughly united, and which produced an article necessary to human life or necessary to other important industrial processes, would be able the most nearly to reach a position in which it could dictate its own terms—a position fortunate for that group, but certainly disastrous to others.

U. S. PARKER.

<sup>14</sup>*Report of the Industrial Commission*, Vol. XII, pp. cxvi-cxxxvi.

<sup>15</sup>*Labor Statistics*, Ohio, 1901, p. 296; *Proceedings of Joint Convention*, 1903, p. 210.